

§ 1908. Inflation adjustment of acquisition-related dollar thresholds

(a) **DEFINITION.**—In this section, the term “Council” has the meaning given that term in section 1301 of this title.

(b) **APPLICATION.**—

(1) **IN GENERAL.**—Except as provided in paragraph (2), the requirement for adjustment under subsection (c) applies to a dollar threshold that is specified in law as a factor in defining the scope of the applicability of a policy, procedure, requirement, or restriction provided in that law to the procurement of property or services by an executive agency, as the Council determines.

(2) **EXCEPTIONS.**—Subsection (c) does not apply to dollar thresholds—

(A) in chapter 67 of this title;

(B) in sections 3141 to 3144, 3146, and 3147 of title 40; or

(C) the United States Trade Representative establishes pursuant to title III of the Trade Agreements Act of 1979 (19 U.S.C. 2511 et seq.).

(3) **RELATIONSHIP TO OTHER INFLATION ADJUSTMENT AUTHORITIES.**—This section supersedes the applicability of other provisions of law that provide for the adjustment of a dollar threshold that is adjustable under this section.

(c) **REQUIREMENT FOR PERIODIC ADJUSTMENT.**—

(1) **BASELINE CONSTANT DOLLAR VALUE.**—For purposes of paragraph (2), the baseline constant dollar value for a dollar threshold—

(A) in effect on October 1, 2000, that was first specified in a law that took effect on or before October 1, 2000, is the October 1, 2000, constant dollar value of that dollar threshold; and

(B) specified in a law that takes effect after October 1, 2000, is the constant dollar value of that threshold as of the effective date of that dollar threshold pursuant to that law.

(2) **ADJUSTMENT.**—On October 1 of each year evenly divisible by 5, the Council shall adjust each acquisition-related dollar threshold provided by law, as described in subsection (b)(1), to the baseline constant dollar value of that threshold.

(3) **EXCLUSIVE MEANS OF ADJUSTMENT.**—A dollar threshold adjustable under this section shall be adjusted only as provided in this section.

(d) **PUBLICATION.**—The Council shall publish a notice of the adjusted dollar thresholds under this section in the Federal Register. The thresholds take effect on the date of publication and shall apply, in the case of the procurement of property or services by contract, to a contract, and any subcontract at any tier under the contract, in effect on that date without regard to the date of award of the contract or subcontract.¹

(e) **CALCULATION.**—An adjustment under this section shall be—

(1) calculated on the basis of changes in the Consumer Price Index for all-urban consumers

published monthly by the Secretary of Labor; and

(2) rounded, in the case of a dollar threshold that as calculated under paragraph (1) is—

(A) less than \$10,000, to the nearest \$500;

(B) not less than \$10,000, but less than \$100,000, to the nearest \$5,000;

(C) not less than \$100,000, but less than \$1,000,000, to the nearest \$50,000;

(D) not less than \$1,000,000, but less than \$10,000,000, to the nearest \$500,000;

(E) not less than \$10,000,000, but less than \$100,000,000, to the nearest \$5,000,000;

(F) not less than \$100,000,000, but less than \$1,000,000,000, to the nearest \$50,000,000; and

(G) \$1,000,000,000 or more, to the nearest \$500,000,000.

(f) **PETITION FOR INCLUSION OF OMITTED THRESHOLD.**—

(1) **PETITION SUBMITTED TO ADMINISTRATOR.**—A person may request adjustment of a dollar threshold adjustable under this section that is not included in a notice of adjustment published under subsection (d) by submitting a petition for adjustment to the Administrator.

(2) **ACTIONS OF ADMINISTRATOR.**—On receipt of a petition for adjustment of a dollar threshold under paragraph (1), the Administrator—

(A) shall determine, in writing, whether the dollar threshold is required to be adjusted under this section; and

(B) on determining that it should be adjusted, shall publish in the Federal Register a revised notice of the adjustment dollar thresholds under this section that includes the adjustment of the dollar threshold covered by the petition.

(3) **EFFECTIVE DATE OF ADJUSTMENT BY PETITION.**—The adjustment of a dollar threshold pursuant to a petition under this subsection takes effect on the date the revised notice adding the adjustment under paragraph (2)(B) is published.

(Pub. L. 111-350, §3, Jan. 4, 2011, 124 Stat. 3725; Pub. L. 114-92, div. A, title VIII, §817, Nov. 25, 2015, 129 Stat. 897; Pub. L. 115-91, div. A, title VIII, §821, Dec. 12, 2017, 131 Stat. 1464.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
1908(a)	no source.	
1908(b)(1)	41:431a(c).	Pub. L. 93-400, §35A, as added Pub. L. 108-375, title VIII, §807(a)(1), Oct. 28, 2004, 118 Stat. 2010.
1908(b)(2)	41:431a(d).	
1908(b)(3)	41:431a note.	Pub. L. 108-375, title VIII, §807(c)(1), Oct. 28, 2004, 118 Stat. 2011.
1908(c)(1), (2).	41:431a(a).	
1908(c)(3)	41:431a note.	Pub. L. 108-375, title VIII, §807(c)(2), Oct. 28, 2004, 118 Stat. 2011.
1908(d)	41:431a(b).	
1908(e)	41:431a(e).	
1908(f)	41:431a(f).	

In subsection (c)(3), the words “After the date of the enactment of this Act” are omitted as obsolete.

In subsection (e)(1), the words “Secretary of Labor” are substituted for “Department of Labor” because of 29:551.

REFERENCES IN TEXT

The Trade Agreements Act of 1979, referred to in subsec. (b)(2)(C), is Pub. L. 96-39, July 26, 1979, 93 Stat. 144.

¹ So in original.

Title III of the Act is classified generally to subchapter I (§2511 et seq.) of chapter 13 of Title 19, Customs Duties. For complete classification of this Act to the Code, see References in Text note set out under section 2501 of Title 19 and Tables.

AMENDMENTS

2017—Subsec. (d), Pub. L. 115–91 inserted before period at end “and shall apply, in the case of the procurement of property or services by contract, to a contract, and any subcontract at any tier under the contract, in effect on that date without regard to the date of award of the contract or subcontract.”

2015—Subsec. (e)(2), Pub. L. 114–92, §817(1), substituted “as calculated under paragraph (1)” for “on the day before the adjustment” in introductory provisions.

Subsec. (e)(2)(D) to (G), Pub. L. 114–92, §817(2), (3), added subpars. (D) to (G) and struck out former subpar. (D) which read as follows: “\$1,000,000 or more, to the nearest \$500,000.”

ADJUSTMENT FOR INFLATION OF RIGHT-HAND DRIVE PASSENGER SEDANS

Pub. L. 112–81, div. A, title VIII, §814(b), Dec. 31, 2011, 125 Stat. 1491, provided that: “The Department of Defense representative to the Federal Acquisition Regulatory Council established under section 1302 of title 41, United States Code, shall ensure that the threshold established in section 2253 of title 10, United States Code, for the acquisition of right-hand drive passenger sedans is included on the list of dollar thresholds that are subject to adjustment for inflation in accordance with the requirements of section 1908 of title 41, United States Code, and is adjusted pursuant to such provision, as appropriate.”

§ 1909. Management of purchase cards

(a) **REQUIRED SAFEGUARDS AND INTERNAL CONTROLS.**—The head of each executive agency that issues and uses purchase cards and convenience checks shall establish and maintain safeguards and internal controls to ensure the following:

(1) There is a record in each executive agency of each holder of a purchase card issued by the agency for official use, annotated with the limitations on single transactions and total transactions that are applicable to the use of each such card or check by that purchase card holder.

(2) Each purchase card holder and individual issued a convenience check is assigned an approving official other than the card holder with the authority to approve or disapprove transactions.

(3) The holder of a purchase card and each official with authority to authorize expenditures charged to the purchase card are responsible for—

(A) reconciling the charges appearing on each statement of account for that purchase card with receipts and other supporting documentation; and

(B) forwarding a summary report to the certifying official in a timely manner of information necessary to enable the certifying official to ensure that the Federal Government ultimately pays only for valid charges that are consistent with the terms of the applicable Government-wide purchase card contract entered into by the Administrator of General Services.

(4) Any disputed purchase card charge, and any discrepancy between a receipt and other supporting documentation and the purchase

card statement of account, is resolved in the manner prescribed in the applicable Government-wide purchase card contract entered into by the Administrator of General Services.

(5) Payments on purchase card accounts are made promptly within prescribed deadlines to avoid interest penalties.

(6) Rebates and refunds based on prompt payment, sales volume, or other actions by the agency on purchase card accounts are reviewed for accuracy and properly recorded as a receipt to the agency that pays the monthly bill.

(7) Records of each purchase card transaction (including records on associated contracts, reports, accounts, and invoices) are retained in accordance with standard Government policies on the disposition of records.

(8) Periodic reviews are performed to determine whether each purchase card holder has a need for the purchase card.

(9) Appropriate training is provided to each purchase card holder and each official with responsibility for overseeing the use of purchase cards issued by the executive agency.

(10) The executive agency has specific policies regarding the number of purchase cards issued by various component organizations and categories of component organizations, the credit limits authorized for various categories of card holders, and categories of employees eligible to be issued purchase cards, and that those policies are designed to minimize the financial risk to the Federal Government of the issuance of the purchase cards and to ensure the integrity of purchase card holders.

(11) The executive agency uses effective systems, techniques, and technologies to prevent or identify illegal, improper, or erroneous purchases.

(12) The executive agency invalidates the purchase card of each employee who—

(A) ceases to be employed by the agency, immediately upon termination of the employment of the employee; or

(B) transfers to another unit of the agency, immediately upon the transfer of the employee unless the agency determines that the units are covered by the same purchase card authority.

(13) The executive agency takes steps to recover the cost of any illegal, improper, or erroneous purchase made with a purchase card or convenience check by an employee, including, as necessary, through salary offsets.

(b) **GUIDANCE.**—The Director of the Office of Management and Budget shall review existing guidance and, as necessary, prescribe additional guidance governing the implementation of the requirements of subsection (a) by executive agencies.

(c) **PENALTIES FOR VIOLATIONS.**—

(1) **IN GENERAL.**—The head of each executive agency shall provide for appropriate adverse personnel actions or other punishment to be imposed in cases in which employees of the agency violate agency policies implementing the guidance required by subsection (b) or make illegal, improper, or erroneous pur-